

**OHIO AGRICULTURAL EXPERIMENT STATION
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**SOURCES OF ECONOMIC INFORMATION
USED BY FARMERS**

MERVIN G. SMITH FRANCIS B. McCORMICK RILEY S. DOUGAN

SUMMARY

Many farmers increase their incomes each year by making use of economic outlook information. It is suggested that other farmers could do the same if more information was available or if more use was made of that which is presently available.

Sources of economic outlook information available to farmers include publications of agricultural colleges, experiment stations, United State Department of Agriculture, farm papers and magazines, business service reports or newsletters, daily newspapers, radio, television and other miscellaneous publications. All of these obtain most of their basic information from agricultural colleges, experiments stations, and the United States Department of Agriculture.

Farmers indicate they use farm papers and magazines much more than any other source from which to obtain outlook information. Newsletters and radio are used next most often.

When farmers are asked from what sources they would most like to obtain outlook information they list farm papers and magazines, newsletters and agricultural college publications in this order of importance. This statement has policy implications for personnel employed by agricultural colleges and experiment stations. The implications are:

1. More information needs to be published in farm papers and magazines.
2. Consideration needs to be given to using more newsletter type publications.
3. More college, experiment station, and Extension publications need to be written.
4. Consideration needs to be given to developing more effective methods of disseminating information.

The use farmers make of economic outlook information also is a problem of long range concern to educators and agricultural policy makers. This is true because they must decide what is to be the future role of this type of information in assisting United States farmers. Will this type of assistance, alone, permit the farmer to maximize income? Should it continue to be supplemented with action programs? If so, to what extent?

INTRODUCTION

The use farmers make of economic outlook information has for many years been a topic of much discussion and a problem of much concern to educators and agricultural policy makers in the Federal Government. Since the United States Department of Agriculture was established in 1862 there have been two schools of thought concerning the problem and each has been predominant in various periods.

On the one hand there have been those who believe that the Federal Government can best serve the interests of farm people by keeping them well informed in matters of economic concern. That is, in a free competitive society such as we have in the United States farmers will make the "right" decisions which will result in maximum production adjustments and maximum farm income if they have all the facts on which to base decisions. This is the philosophy which for the most part was associated with programs in effect during the last half of the nineteenth century and the first quarter of the twentieth century.

During this period farm prices and farm income were relatively low except during war periods and many people began to question whether this type of program, alone, would result in the necessary adjustments in agriculture and maximum farm income in the United States. As a result, during the late 1920's and the early 1930's those advocating a second school of thought began to attain prominence. This group believed that for farmers to receive satisfactory incomes it would be necessary for the Federal Government to do more than furnish economic information to farm people. They believed that educational programs concerned with economic information should be supplemented with action programs initiated by the Federal Government. The result of this thinking was the inauguration of such programs as the Federal Farm Board in 1929, the Agricultural Adjustment Act in 1933, and all subsequent farm price support legislation since that time.

Some believe that in recent years we have moved, or should move, in the direction of the first school of thought, namely, toward more emphasis on economic information and less emphasis on action programs. Which is the correct program? In which direction should we be moving? This is the broad problem. Although there has been considerable discussion relative to these programs there has been very little research designed to examine them thoroughly.

Another series of problems believed by some to be of more immediate concern has to do with where farmers obtain economic outlook information, how much they use this type of information in making farm management and marketing decisions and the use made of factors other than expected prices in arriving at these same decisions. Adult educators responsible for preparing and disseminating economic information are especially interested in this phase of the problem.

This circular discusses in outline form: (1) an inventory of sources of economic outlook information (where can farmers obtain economic outlook information?) and (2) the extent to which farmers indicate they use these sources of information (how can farmers use outlook information?).

No attempt is made to determine how farmers use economic information. This problem along with the broad policy problem mentioned earlier will be discussed in more detail in a research bulletin to be published when a complete analysis of information presently available has been made.

SOURCE OF DATA

In the fall of 1954 the authors of this publication entered into informal agreement with teachers of Vocational Agriculture at 45 Ohio high schools. Each teacher agreed to contact randomly selected parents of day students and where adult classes were organized, to contact members of these classes relative to their use of economic information. In return for this service the authors agreed to furnish teachers certain information to be used as teaching aids. Participating schools are indicated in Chart No. 1.

Questionnaires were prepared by the authors and cooperating teachers had them completed during the winter months in 1955. Chart 1 indicates the schools are located in all geographical areas of Ohio with the heavy concentration in the western part of the state. This is the most productive agricultural area in the state.

Information was obtained from almost 800 farmers engaged in nearly all types of the various farm enterprises. However, in this circular enterprise analysis is limited to hogs, dairy, and corn. It is of interest to note that one-third of those from whom information was obtained were part-time farmers and two-thirds of the part-time farmers worked off the farm 100 or more days during the preceding year.

The division between parents of day students and members of adult or young farmer classes was 57 percent parents and 43 percent members of evening classes. Farmers in all age groups were interviewed but the average for all farmers contacted is slightly less than the average for all Ohio farmers.



Chart 1.—Location of departments of vocational agriculture which participated in economic information study in 1955 and 1956.

An analysis by size of farm, tenure status, and education of farmers contacted indicates that the composition of each of these groups is not greatly different from the composition of the same groups when all Ohio farmers are included.

INVENTORY OF SOURCES OF ECONOMIC INFORMATION

Farmers have access to many sources of economic information. Included in the list of possible sources are publications of colleges of agriculture, agricultural experiment stations, United States Department of Agriculture, farm papers, daily newspapers, business service reports, television, radio, and miscellaneous business and commercial publications. In this study an attempt is made to determine to what extent farmers take advantage of some of these sources of information.

College, Experiment Station and U. S. D. A. Publications.

In Ohio the Agricultural Extension Service regularly publishes a monthly and a weekly publication, both specifically concerned with economic information. The monthly publication is "Timely Economic Information for Ohio Farmers" and the weekly is "Econogram". Farmers may be placed on the mailing list for these publications by contacting the County Agricultural Agent in their home county. Between 15 and 20 percent of the farmers contacted in this study were receiving "Timely Economic Information for Ohio Farmers". About 10 percent were receiving "Econogram". The latter mentioned publication is designed especially for agricultural leaders which may explain why relatively few farmers receive it. The monthly publication is intended to be useful to all farmers and its relatively small circulation is assumed to be due to its unfamiliarity to many farmers.

The Ohio Agricultural Experiment Station publishes "Farm and Home Research" bi-monthly and some of the articles in each issue are concerned with economic information. In addition, the Experiment Station publishes each year many bulletins and circulars dealing with specialized types of economic information. A similar type of information is available from other states on request.

Most United States Department of Agriculture publications are available for farmer use. Many are concerned with economic information. The circulation of a few is restricted to colleges and other agricultural workers and leaders.

FARM PAPERS

Farm papers represent another source of economic information. Some contain a great variety of this type of news. Others do not contain so much and usually each issue of each publication is somewhat different. Table 1 includes some farm papers most often received by Ohio farmers.

BUSINESS SERVICE REPORTS

This type of report is sometimes referred to as a newsletter report. As is true with farm papers, the amount and type of economic information contained in each report varies from almost 100 percent to almost none, depending on the individual report or newsletter. Some are designed specifically for the purpose of disseminating economic information. Others have as their main objective some other purpose and the inclusion of economic information is only incidental. Table 2 includes a partial list of some of this type of report.

TABLE 1.—Farm Papers Received by Ohio Farmers and Percent of Farmers in Economic Information Survey Receiving Each, 1955

Name of Paper	Percent of Farmers Receiving
Ohio Farmer	75-100
Farm Journal	75-100
Successful Farming	50-74
Country Gentleman	50-74
Ohio Farm Bureau News or Newsletter	50-74
Cappers Farmer	25-49
Hoard's Dairyman	25-49
Nations Agriculture	Less than 25
Progressive Farmer	Less than 25
Drovers Journal	Less than 25
Farm and Dairy	Less than 25
Poultry Tribune	Less than 25
Broiler Growing	Less than 25
Turkey World	Less than 25

TABLE 2.—Business Service Reports Received by Ohio Farmers and Percent of Farmers in Economic Information Survey Receiving Each, 1955

Name of Report	Percent of Farmers Receiving
Sohio Newsletter	25–35
Producer News	25–35
C. O. B. A.	10–24
R. E. A. Newsletter	10–24
N. O. B. A.	10–24
Ohio D. H. I. A. Newsletter	10–24
Doanes Agricultural Digest	Less than 10
Agricultural Bulletin of Federal Reserve Bank	Less than 10
Independent Livestock Marketing Association Newsletter	Less than 10
Ohio Council of Farm Cooperatives Newsletter	Less than 10
O. M. I. Farm News	Less than 10
Ohio Farmer News	Less than 10
National Equity News	Less than 10

DAILY NEWSPAPERS

All daily newspapers report some economic information. They may perform this service by means of special articles, by syndicated columns, by using certain sections of the paper for this purpose or by other means. Almost 90 percent of the farmers interviewed subscribed to at least one daily paper.

RADIO AND TELEVISION

All radio and television stations disseminate some economic information. Some stations have program formats designed only for this purpose while others perform the service only incidentally on various news programs. In addition, all farmers are aware of the special farm programs broadcast by their local radio and television stations. Most of these programs report some economic information of interest to farm people. All farmers who participated in this study owned one or more radios and approximately 75 percent owned a television.

MISCELLANEOUS SOURCES

In addition to sources mentioned in the preceding paragraphs there are other ways of obtaining economic information. One source is the innumerable variety of magazines, financial publications and other similar papers available to the general public. Another valuable method of obtaining knowledge is by attending meetings; still another is by personal contact.

BASIC SOURCES OF DISSEMINATING MEDIA

Most of the basic information used by farm papers, business service reports, daily newspapers, radio and television stations and the other media listed above is obtained from the same sources. These sources are the United States Department of Agriculture, agricultural colleges, and agricultural experiment stations. The Agricultural Extension Service is especially active in disseminating this type of information at all levels of operation, namely, national, state and county.

SOURCES OF ECONOMIC INFORMATION USED BY FARMERS

An inventory of the sources of economic information available to farmers is described above. Do farmers use this type of information and if so what sources do they prefer and to what extent are they used? Let us first look at the sources farmers say they use. To help answer this question each farmer was asked specifically about the enterprise considered most important on his farm. Example: Each farmer whose most important enterprise was hogs was asked the following question.

"At the time you were breeding for your 1954 spring litters you may have heard or read something about what hog prices were likely to be in the fall of 1954. As near as you can remember what did you hear or read? Nothing———; Hog prices were likely to be higher this fall and winter than last fall and winter———; Hog prices were likely to be about the same this fall and winter as last year———; Hog prices were likely to be lower this fall and winter than last———; Don't remember———."

The percentage of farmers answering each was as follows: nothing, eight; hog prices were likely to be higher, seven; prices were likely to be about the same, 13; prices were expected to be lower, 48; don't

remember, 18; not answered, 6. These were answers received from 263 farmers who considered hogs their most important enterprise. The answers indicate that 86 percent of this group had heard or read something about the outlook for hog prices. Figures are comparable for those who considered the dairy enterprise or corn their most important source of income.

Where do farmers obtain this type of economic information? To help answer this question, the following question was asked as a follow-up to the question listed on page 8.

"If you did hear or read anything about what hog prices were likely to be, where did you obtain the information?"

Answers received from those who considered either hogs, dairy, or corn their main enterprise are summarized in Table 3.

The table indicates that farmers generally consider three of these sources of information of more importance than the other items listed. The three most important sources are: farm papers, special newsletters, and radio. It is of interest to note that of those farmers who indicated they obtained some expected price information a majority used only one source for each enterprise. Approximately one-third used two sources and only a very few used more than two sources.

TABLE 3.—Sources Farmers Indicated They Used to Obtain Economic Outlook Information for Their Hog, Dairy, and Corn Enterprises, Economic Information Survey, Ohio, 1955

Sources	Percent of Farmers		
	Hogs	Dairy	Corn
Farm Papers or Magazines	68	52	63
Special Newsletters	18	15	17
Radio	16	10	34
Television	3	1	5
Neighbors	6	3	9
Daily Newspapers	5	8	14
Agricultural College Publications	3	4	3
Other	4	3	18
Not Answered	19	15	8
Total Farmers	263	245	120

Table 3 indicates that farm papers or magazines are considered the most important source of economic outlook information. However to obtain further information the following question was asked of each farmer.

"Whether or not you have been receiving this type of economic information from the **source you most like**, would you indicate your first, second, and third choice of ways you would like to receive it, assuming the information would be the same no matter where you get it. Following are some of the usual sources of economic information: farm papers, daily newspapers, meetings, neighbors, radio, television, university publications, special business reports or newsletter."

Answers are summarized in Table 4.

When a comparison of Tables 3 and 4 is made, it will be observed that there is much similarity in their respective contents. For example, farm papers are at the top of the list of preferences in each table. However, they rate lower as a choice than in the manner in which they are used. Also, special newsletters ranked second in each table. At this point, there seems to be a noticeable difference and the difference concerns agricultural college publications. When asked for a choice,

TABLE 4.—First Choice of Sources of Economic Outlook Information as Indicated by Farmers Who Participated in Economic Information Survey, Ohio, 1955

Sources	Percent of Farmers		
	Hogs	Dairy	Corn
Farm Papers or Magazines	33	37	27
Special Newsletters	21	16	16
Radio	9	5	11
Television	4	4	7
Neighbors	1	0	0
Daily Newspapers	5	5	6
Agricultural College Publications	14	16	13
Other	1	4	2
Not Answered	12	13	18
Total Farmers	263	245	120

farmers indicated they would rank university publications very high as compared with the manner in which they are presently used. Conceivably this could indicate that farmers believe there are either insufficient publications of this type or that publications are not adequately distributed. Other items in the two tables are very much alike. The list of second-choice answers is in the same order of importance as indicated in Table 4.

What are the characteristics of these various sources of information which cause farmers to rank them as indicated above? To help answer this question, each farmer was asked why he selected his first choice source. This was an open-end question. Answers received were classified and listed in one of the following groups: convenience, dependability, custom, timeliness, and other. Farm papers rated relatively high in all categories except that of timeliness. Some farmers apparently believe reading a farm paper is as convenient as any of the other sources listed. Others apparently consider it customary to read farm papers regularly. In addition, many farmers believe that they can depend on news read in a farm paper.

Special newsletters appear to be read for the same reasons although they were rated highest for their dependability.

The item of convenience was listed as the most important reason for selecting either radio or television as a first choice as a source of economic outlook information. These two sources rated relatively low in other categories.

Agricultural college publications rated highest in the item of dependability. In fact, more than three-fourths of those who listed this source as their first choice also gave dependability as their reason for making this selection.

Custom was the reason given by most farmers who listed daily newspapers as their first choice.